

CITY COMMISSION MINUTES

March 30, 2010

12:00p.m.

A special meeting of the Junction City City Commission was held on Tuesday, March 30, 2010 with Mayor Terry Heldstab presiding.

The following members of the Commission were present: Terry Heldstab, Scott Johnson, Mike Rhodes, Ken Talley, and Jack Taylor. Staff present was: City Manager Gerry Vernon, Interim City Manager Mike Guinn, and City Clerk Tyler Ficken.

NEW BUSINESS


The consideration and approval to enter into contract lease agreement with Price Gregory (PG) for temporary use of City property. EDC Retail Specialist Stacy Schulte stated that City Clerk Ficken provided copies of the lease to the Commission. Stacy Schulte stated that PG is building an oil pipeline from Canada to Texas. Stacy Schulte stated that PG will pay \$1,500 per month to lease the property from the City, but they will also bring approximately \$1 million dollars in payroll, fuel, repairs, and parts purchases to the City. Stacy Schulte stated that she had spoken to Yankton, SD regarding PG, and received good feedback. Stacy Schulte stated that PG will be installing 3 to 6 inches of rock on site. Assistant City Manager Guinn stated that PG will be installing a fabric liner before the rock is laid; PG will receive water from a hydrant, and sewer via a manhole. Commissioner Talley asked what the largest truck on the site would be. A PG representative stated that the largest trucks would be a tractor and trailer fuel truck. Commissioner Talley stated that it sounds like a great project for the City given the high number of deployed soldiers currently. Mayor Heldstab asked where PG employees will be living. The PG representative stated that they will be renting, and that employees will be scattered. Commissioner Rhodes asked what the pipe carries. The PG representative stated that the pipe will carry crude oil. Mayor Heldstab asked if PG would be willing to remove the rock on site if the City and county decided not to use the rock. The PG representative stated that PG will leave improvements or remove them if asked. Ben Kitchens stated that electricity will be available to a future buyer now as a result of this project. Mayor Heldstab asked whether the PG trailers are electric or gas. The PG representative stated that the trailers are electric. Stacy Schulte stated that PG is a company with 25,000 employees. The PG representative stated that there will be 600 PG employees in the City at the peak. Stacy Schulte stated that there needs to be guidance from the City Commission whether the City will require cash or a bond. Mayor Heldstab asked for a staff recommendation. Assistant City Manager Guinn stated that a bond would be fine. Commissioner Rhodes moved, seconded by Commissioner Taylor to approve acceptance of security deposit or bond in the amount of \$100,000 as collateral for temporary lease. Ayes: Heldstab, Johnson, Rhodes, Talley, Taylor. Nays: none. Motion carried.

City Manager Vernon stated that the Commission will need to consider meeting on April 13, 2010 to discuss bond issues. City Clerk Ficken stated that the Special meeting for April 13, 2010 at 7:00PM will be added to the April 6, 2010 City Commission meeting for approval.

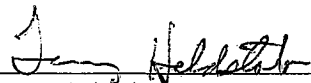
ADJOURNMENT

Commissioner Rhodes moved, seconded by Commissioner Taylor to adjourn at 12:20 PM Ayes: Heldstab, Johnson, Rhodes, Talley, Taylor. Nays: None. Motion Carried.

APPROVED AND ACCEPTED THIS 20th DAY OF APRIL 2010 AS THE OFFICIAL COPY OF THE JUNCTION CITY CITY COMMISSION MINUTES FOR MARCH 30, 2010.



Tyler Ficken, City Clerk



Terry Heldstab, Mayor